



Ordinance Number 515

AN ORDINANCE PROVIDING FIRST-TIME HOMEBUYERS WITH INCENTIVES TO INVEST AND RESIDE IN THE TOWN OF ELSMERE

Sponsored By: John Jaremchuk Jr., 1st District Councilman
Deborah A. Norkavage, Mayor
Joann I. Personti, 5th District Councilwoman

First and Second Reading:
April 8, 2010

Results: **Passed 5 – In Favor, 0 – Opposed, with 2 – Absent, 4th District
Councilman McKewen and 6th District Councilman Pasquale, Jr.**

Third and Final Reading:
May 13, 2010

Results: **Passed 7 – In Favor, 0 – Opposed**

Ordinance Number 515

AN ORDINANCE PROVIDING FIRST-TIME HOMEBUYERS WITH INCENTIVES TO INVEST AND RESIDE IN THE TOWN OF ELSMERE

WHEREAS, the Town of Elsmere wishes to provide first-time homebuyers with incentives to invest and reside in the Town of Elsmere,

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF ELSMERE AS FOLLOWS:

The Realty Transfer Tax is hereby amended by adding a new Section 22 to Chapter 204-4 (A) 2, to read as follows:

Effective immediately, the buyer's share of the Town of Elsmere's realty transfer tax, otherwise payable, shall be waived for any transfer of any single-family residential dwelling, including the land and dwelling thereon and not vacant land, that is intended for owner-occupancy where the buyer is a first-time home buyer in the Town of Elsmere; provided that the buyer, not later than the time of settlement of the subject transfer, executes an affidavit under penalties of filing a false written statement that the buyer or buyers, constitute, in fact, a first-time home buyer of a single-family dwelling. A "first-time home buyer" means:

1. A natural person who has at no time held any legal interest, exclusive of any interest as a stockholder or partner in a corporation or limited partnership or as a trustee for another person in residential real estate during the three years prior to the date of settlement of the subject transfer of real property.
2. The unit of husband and wife purchasing as joint tenants or tenants by the entirety, when neither the husband nor the wife has ever held any legal interest, exclusive of any interest as a stockholder or partner in a corporation or limited partnership or as a trustee for another person, in residential real estate during the three years prior to the date of settlement of the subject transfer of real property.
3. Individuals purchasing as joint tenants or co-tenants when none of the individuals has ever held any legal interest, exclusive of any interest as a stockholder or partner in a corporation or limited partnership or as a trustee for another person, in residential real estate during the three years prior to the date of settlement of the subject transfer of real property.

Should the homeowners sell or transfer their property, or should the property become non-owner occupied, the homeowners shall repay the town on a pro-rated basis an amount calculated based upon the number of months within the 3 year period during which the property was not owner occupied.

BE IT FURTHER ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF ELSMERE THE FOLLOWING:

All building permit fees shall be waived for a period of 12 months following the purchase for first time home buyers as defined in this ordinance.

April 8, 2010
First and Second Reading

May 13, 2010
Third and Final Reading

Deborah A. Norkavage, Mayor

Joann I. Personti, Secretary

Approved As To Form
Edward McNally, Town Solicitor

SYNOPSIS:

This Ordinance exempts first-time home buyers who purchase their homes from paying the Town of Elsmere's share of the State of Delaware Realty Transfer Tax, as well as exempts first time home buyers from paying building permit fees for the first 12 months after purchase.

Fiscal Impact:

The data required to complete a "Fiscal Impact Statement" is not available at this time. Therefore, upon the passage of this ordinance the Finance Department is directed to establish a procedure which will allow them to track any revenues which would have been received but which were waived as a result of this ordinance. The Finance Director shall report the actual "Fiscal Impact" of this ordinance to the Mayor and Council on a quarterly basis.